

1999 Schedule 4

Computation of credit for income tax paid to another state for a resident filer

Attach to
1999
Form 37-S or Form 37

| | | | |
|---|---|--|--|
| 1. Federal adjusted gross income from line A, Form 37-S or line A, Schedule 2, Form 37 (SJ) | 1 | | |
| 2. Amount of federal adjusted gross income reported to the other state (<i>See instructions</i>) (SK) | 2 | | |
| 3. Divide line 2 by line 1 and round to nearest two decimal places _____ . _____ | 3 | | |
| 4. Enter the amount from line 2, Form 37-S or line 2, Tax Computation Schedule, Form 37 | 4 | | |
| 5. Multiply line 4 by line 3 (SL) | 5 | | |
| 6. Income tax paid to the other state (<i>See instructions</i>) (SM) | 6 | | |
| 7. Enter the smaller of line 5 or line 6. Enter this amount in the Schedule 4 box on line 3, Form 37-S or on line 3, Tax Computation Schedule, Form 37 (<i>If you completed more than one Schedule 4, see instructions</i>) | 7 | | |

To obtain this credit, you must attach the following to your North Dakota return:

- **This schedule, and**
- **A copy of the income tax return(s) you filed with the other state(s).**

General instructions**Eligibility for credit**

You may be eligible for a credit for income tax paid to another state if:

1. You were a resident of North Dakota for all of the year, or you moved into North Dakota during the year and you choose to file as a resident (*See "Filing procedures for individuals who changed residence to North Dakota" on page 2 of the individual income tax return instruction booklet.*); **and**
2. You pay income tax to another state on part or all of the same income that you report to North Dakota for the year.

For purposes of this credit, "state" means any of the fifty U.S. states, the District of Columbia or a territory of the United States.

This credit is available only if you file an income tax return with the other state on which you compute and pay an income tax. No credit is allowed based on the amount of the other state's income tax withheld from your wages, nor on the amount of estimated income tax you may have paid to the other state, because part or all of these amounts may be refunded to you by the other state.

You must attach a copy of the other state's income tax return along with this schedule to your North Dakota individual income tax return to obtain the credit.

Payment of income tax to more than one state.

If you pay income tax to more than one other state on income that you also report to North Dakota for the year, you must complete a separate Schedule 4 for each state.

Did you work in Montana? If you are a resident of North Dakota and you received wages for work performed in Montana, the wages are not taxable by Montana. If your employer withheld Montana income tax from the wages you received for work performed in Montana, do not complete this schedule. Instead, you must file a Montana individual income tax return to obtain a refund of the withholding. (*For more information, see "Minnesota/Montana reciprocity" on page 3 of the individual income tax return instruction booklet.*) If you pay income tax to Montana on income other than wages, you may be eligible for this credit.

Did you work in Minnesota? If you are a resident of North Dakota and you received wages for work performed in Minnesota, the wages are not taxable by Minnesota if you maintained a home in North Dakota to which you returned at least once every month. If this applies to you, but your employer withheld Minnesota income tax from the wages you received for work performed in Minnesota, do not complete this schedule. Instead, you must file a Minnesota individual income tax return to obtain a refund of the withholding. (*For more information, see "Minnesota/Montana reciprocity" on page 3 of the individual income tax*

return instruction booklet.) If you pay income tax to Minnesota on other types of income that are not exempt from Minnesota income tax under the North Dakota—Minnesota reciprocity agreement, you may be eligible for this credit.

Specific line instructions**Line 2**

Enter the portion of your federal adjusted gross income that you reported to the other state. Include only those items of income, gain, loss and other adjustments included in the computation of your federal adjusted gross income. **Do not** include any amount for personal or dependency exemptions, standard deduction, itemized deductions, or any other adjustment to federal adjusted gross income allowed or required by the other state's tax laws.

Line 6

Enter the amount of the income tax less any credits as shown on the other state's income tax return. **Do not** include the amount of the other state's income tax withheld from your wages or the amount of estimated income tax paid to the other state.

Line 7

If you completed more than one Schedule 4 because you paid income tax to more than one other state, add the separately computed amounts on line 7 of each Schedule 4, and enter the total in the Schedule 4 box on line 3, Form 37-S or line 3, Tax Computation Schedule, Form 37.